

FINANCIAL IMPACT OF THE TAX BACKED LOBBYING BAN INITIATIVE

FINANCIAL IMPACT – CANNOT BE DETERMINED

OVERVIEW

The Tax Backed Lobbying Ban Initiative (Initiative) proposes to amend Article 2 of the *Nevada Constitution* to prohibit public bodies, public officers, state or local government employees, or candidates for public office from directing, permitting, receiving, requiring, or facilitating the use of tax revenues or other public resources, either directly or indirectly for political campaigns, lobbying, or partisan activity, effective January 1, 2011. The Initiative also prohibits the use of tax revenues or other public revenues to pay dues or membership fees of any kind to any person, league, or association which, directly or indirectly, engages in lobbying, campaigns, or partisan activity.

The Initiative specifies criminal penalties for violations of these provisions and requires that persons who knowingly spend or receive funds in violation of these provisions pay full restitution for any misappropriated resources.

FINANCIAL IMPACT OF THE INITIATIVE

The provisions creating a misdemeanor for violations of the provisions of the Initiative may increase the caseload within the state and local court system, and may increase the workload of state and local government agencies tasked with investigating and enforcing these provisions. The Fiscal Analysis Division, however, cannot predict the number of actions that may potentially violate the provisions of the Initiative, or the resulting state and local financial effect, with any reasonable degree of certainty.

Prepared by the Fiscal Analysis Division of the Legislative Counsel Bureau – March 10, 2008